

AMENDED IN ASSEMBLY JUNE 2, 2009

AMENDED IN ASSEMBLY APRIL 16, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

## ASSEMBLY BILL

**No. 1570**

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**Introduced by Committee on Veterans Affairs (Salas (Chair), Lieu,  
V. Manuel Perez, Saldana, and Yamada)**

March 16, 2009

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An act to add Article 8 (commencing with Section 999.75) to Chapter 6 of Division 4 of the Military and Veterans Code, relating to veterans.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1570, as amended, Committee on Veterans Affairs. Veterans: service providers.

Existing law provides for certain services, protections, and benefits for veterans.

This bill would require each entity of state government to give preference to a qualified entity, as defined, when awarding a grant for a project that would provide, or when entering into a contract to provide, social services to veterans. This bill would require a qualified entity to submit with the application for the grant or the bid for the contract a certification, as provided, from the Department of Veterans Affairs. This bill would authorize the Department of Veterans Affairs to ~~charge a fee for the actual costs incurred by the department in reviewing each application~~ *accept donations for the purposes of implementing these provisions and would require those donations to be deposited into the Veterans Services Fund for specified purposes, as appropriated by the Legislature. This bill would also authorize the Department of Veterans Affairs to conduct audits of qualified entities, as specified.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Article 8 (commencing with Section 999.75) is added to Chapter 6 of Division 4 of the Military and Veterans Code, to read:

Article 8. Veterans Preference For State *Services* Contracts

999.75. For purposes of this article, both of the following shall apply:

~~(a) The “department” means the Department of Veterans Affairs.~~

~~(b)~~

(a) A “qualified entity” means an entity that provides services, *as specified in subdivision (a) of Section 999.76*, to veterans and is capable of managing the grant moneys provided or the contract funds allocated in a fiscally prudent manner, that meets all of the following requirements:

(1) Demonstrates the knowledge, experience, and capacity to provide desired services to veterans.

(2) Demonstrates through audits and employment history the fiscal and management capacity to capably perform public contracts.

~~(3) Is incorporated a nonprofit organization that is exempt from federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code with the primary purpose of providing services to veterans and their families.~~

(4) Demonstrates that the majority of the entity’s resources are dedicated to serving the needs of veterans and their families.

(5) Demonstrates that all required filings with the Secretary of State, ~~charitable trusts, and the Attorney General’s office, and the Franchise Tax Board~~, are current.

~~(6) Has the following up-to-date documents on file with the department:~~

~~(A) Articles of incorporation.~~

(b) A qualified entity shall provide to the department all of the following up-to-date documents:

1     (1) *Articles of incorporation, and all amendments to the articles*  
2 *of incorporation.*

3     ~~(B)~~

4     (2) IRS Letter of Determination.

5     ~~(C)~~

6     (3) Taxpayer identification number.

7     ~~(D)~~

8     (4) Independent audit reports dating back three years.

9     999.76. (a) Notwithstanding any other law, each entity of state  
10 government that awards grants to, or enters into contracts with,  
11 nongovernmental agencies shall give preference to a qualified  
12 entity when awarding a grant for a project that would provide to  
13 veterans, or when entering into a contract to provide to veterans,  
14 social services, including, but not limited to, housing services,  
15 ~~mental health services, employment services, education services,~~  
16 ~~or case management services.~~ *mental health services, or*  
17 *employment and job training services.*

18     (b) The qualified entity shall submit, with the application for  
19 the grant or the bid for the contract, a certification from the  
20 department.

21     (c) (1) In order to obtain a certification as required by  
22 subdivision (b), the qualified entity shall apply to the department,  
23 in a form and manner as required by the department, for  
24 certification of its status as a qualified entity.

25     (2) The department shall process and approve or reject all  
26 applications on the basis of the requirements set forth in ~~subdivision~~  
27 ~~(b)~~ of Section 999.75.

28     (d) *The department may conduct an audit of qualified entities*  
29 *that receive grant funds, as provided by this section, to ensure the*  
30 *grant funds are being used to serve veterans. The results of any*  
31 *audit shall be made available to the public. The department may*  
32 *comply with the requirements of this subdivision by posting the*  
33 *results of any audit on its Internet Web site.*

34     ~~999.77. The department may charge to each applicant for~~  
35 ~~certification a fee, not to exceed five hundred dollars (\$500), for~~  
36 ~~the actual costs incurred by the department in reviewing the~~  
37 ~~application.~~

38     999.77. (a) *A certification approved by the department shall*  
39 *be valid for two years from the date the department accepts*  
40 *credentials for certification.*

1     ***(b) The department may accept current certifications and***  
2     ***licenses from any other state entity, agency, or department in order***  
3     ***to provide a certification to a qualified entity pursuant to***  
4     ***subdivision (b) of Section 99.76.***

5     999.78. *The department shall use existing allocated resources*  
6     *to implement this article. The department may accept donations*  
7     *that shall be deposited into the Veterans Services Fund, which is*  
8     *hereby created in the State Treasury, and which, upon*  
9     *appropriation by the Legislature, shall be used for the purposes*  
10    *of implementing this article.*